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Financial Asset Management, Inc.

CONSUMER FINANCIAL PROTECTION)
 BUREAU,)
)
 Petitioner,)
)
 v.)
)
 FINANCIAL ASSET MANAGEMENT,)
 INC.,)
)
 Respondent.)

JOINT STATUS REPORT

Case No. 2:23-cv-00382-HCN-JCB
 District Judge Howard C. Nielson, Jr.
 Magistrate Judge Jared C. Bennett

Petitioner Consumer Financial Protection Bureau (Bureau) and Respondent Financial Asset Management, Inc. (FAMI) respectfully submit this Joint Status Report as required by the Court's September 19, 2024 Status Report Order. (ECF No. 29). In that Order, the Court instructed the parties to notify it of the status of this case and any remaining disputes over compliance with the Bureau's Civil Investigative Demand (CID).

In the Joint Status Report filed on May 29, 2024 (ECF No. 23), the parties informed the Court of an agreed-upon production schedule under which FAMI would fully comply with the CID's requests for written reports by June 28, 2024 and fully comply with the remainder of the CID's requests by August 14, 2024. The Court ordered that the parties file a Joint Status Report by August 28, 2024 notifying it on the status of the case and any remaining disputes over CID compliance.

On August 27, 2024, the parties submitted a second Joint Status Report. (ECF No. 26). In that Joint Status report, the parties conveyed that FAMI had not fully complied with the CID as of that date, and further conveyed that FAMI represented that it needed until at least August 30, 2024 to fully comply with the CID. FAMI specifically represented that it has not yet provided complete responses to Document Request No. 18, which seeks documents related to the development, implementation, inputs, use, and analysis of any credit-scoring and underwriting models. The Court then ordered the parties to file a further status report on September 13, 2024 to notify it of any remaining disputes over compliance with the CID. (ECF No. 27).

In the third Joint Status Report (ECF No. 28), filed on September 13, 2024, the parties notified the Court of disputes in connection with Requests for Documents Nos. 12 and 13, which respectively seek loan files (Request No. 12) and certain documentation regarding underwriting decisions for those loans (Request No. 13). To date, FAMI has not produced documents that are responsive to either request. In the third Joint Status Report, the parties noted that they wished to explore whether they could resolve disputes with respect to these Requests without action from the Court.

Since the Court's September 19, 2024 Status Report Order, the parties have agreed that FAMI may begin to respond to Request Nos. 12 and 13 by providing the loan files and the requested underwriting related information for a Bureau-selected sample of customers who have taken out loans at FAMI's Utah storefronts. The Bureau will select 10 customers for each

storefront, and FAMI will provide all loans that those customers have taken out over the CID's applicable period. FAMI will make rolling productions of documents responsive to this sample beginning December 10th. FAMI intends to provide complete responses for the sample by January 10, 2025, but has informed the Bureau that additional time could be required depending on the volume and age of the loans at issue, which cannot be determined until FAMI receives and is able to review the sample of selected customers.

Based on this, the parties propose that they submit a Joint Status Report with the Court by January 24, 2025 notifying it of the status of the matter and any remaining disputes over compliance with the CID. The parties respectfully request that the Court not set a deadline by which FAMI must respond to the Order to Show Cause (ECF No. 6) until after that date.

Dated: October 11, 2024

Respectfully submitted,

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